

(C) An individual named on the deposit account dies or is adjudicated legally incompetent;

(D) The account is closed; or

(E) The ACH arrangement is terminated unilaterally by the financial institution after having given written notice to the account holder 30 days in advance of the termination, except in cases of fraud, where termination shall be effective immediately.

(7) *Suspension of ACH payments.* Upon receipt of notice that a designated deposit account has been closed, that an individual named on such account is dead or has been declared legally incompetent, or where the corporation is the owner and it has been dissolved, the Bureau reserves the right to suspend ACH payments, pending satisfactory evidence of entitlement. See paragraph (c) of this section regarding suspension of payments in the case of deceased individuals.

(8) *Processing of ACH payments.* Series HH interest payments made by the ACH method will be processed in accordance with 31 CFR part 370.

(i) *Nonreceipt or loss of interest payment.* The Bureau of the Public Debt, Parkersburg, WV 26106-1328 should be notified if:

(1) An interest check is not received or is lost after receipt or

(2) An ACH payment is not credited to the designated account and the financial institution has no record of receiving it. The notice should include the owner or coowner's name and taxpayer identifying number and the interest payment date.

(ii) [Reserved]

[54 FR 40254, Sept. 29, 1989, as amended at 59 FR 10541, Mar. 4, 1994]

Subpart H—General Provisions for Payment

§ 353.35 Payment (redemption).

(a) *General.* Payment of a savings bond will be made to the person or persons entitled under the provisions of these regulations, except that checks in payment will not be delivered to addresses in areas with respect to which the Department of the Treasury restricts or regulates the delivery of checks drawn against funds of the

United States. See Department of the Treasury Circular No. 655, current revision (31 CFR part 211). Payment will be made without regard to any notice of adverse claims to a bond and no stoppage or caveat against payment of a bond will be entered.

(b) *Series EE.* A Series EE bond will be paid at any time after six months from issue date at the current redemption value shown in Department of the Treasury Circular, Public Debt Series No. 1-80 (31 CFR part 351).

(c) *Series HH.* A Series HH bond will be paid at any time after six months from issue date. A Series HH bond issued in an authorized exchange or reinvestment transaction will be paid at face value. A Series HH bond issued for cash will be paid at the current redemption value shown in Department of the Treasury Circular, Public Debt Series No. 2-80, Second Revision (31 CFR part 352). If the bond is redeemed at less than face value, the difference represents an adjustment of interest. In any case where Series HH bonds are surrendered to a designated Federal Reserve Bank or Branch or the Bureau of the Public Debt, Parkersburg, WV 26106-1328, for redemption in the month prior to an interest payment date, redemption will not be deferred but will be made in regular course, unless the presenter specifically requests that the transaction be delayed until that date. A request to defer redemption made more than one month preceding the interest payment date will not be accepted.

[44 FR 76441, Dec. 26, 1979, as amended at 51 FR 23754, July 1, 1986; 59 FR 10541, Mar. 4, 1994]

§ 353.36 Payment during life of sole owner.

A savings bond registered in single ownership form (i.e., without a coowner or beneficiary) will be paid to the owner during his or her lifetime upon surrender with an appropriate request.

§ 353.37 Payment during lives of both coowners.

A savings bond registered in coownership form will be paid to either coowner upon surrender with an appropriate request, and upon payment (as

determined in §353.43), the other co-owner will cease to have any interest in the bond. If both coowners request payment, payment will be made by check drawn in the form, "John A. Jones AND Mary C. Jones".

§353.38 Payment during lifetime of owner of beneficiary bond.

A savings bond registered in beneficiary form will be paid to the registered owner during his or her lifetime upon surrender with an appropriate request. Upon payment (as determined in §353.43) the beneficiary will cease to have any interest in the bond.

§353.39 Surrender for payment.

(a) *Procedure for bonds of Series EE, in the names of individual owners or coowners only.* An individual who is the owner or coowner of a Series EE bond may present the bond to an authorized paying agent for redemption. The presenter must be prepared to establish his or her identity in accordance with Treasury instructions and identification guidelines. The owner or coowner must sign the request for payment on the bond or, if authorized, on a separate detached request, and add his or her address. If the request for payment has been signed, or signed and certified, before presentation of the bond, the paying agent must be satisfied that the person presenting the bond for payment is the owner or coowner and may require the person to sign the request for payment again. If the bond is in order for payment, the paying agent will make immediate payment at the current redemption value without charge to the presenter. Paying agents are not authorized to process any case involving partial redemption or any case in which supporting evidence is required.

(b) *Procedure for all other cases.* In the case of bonds to which the procedure in paragraph (a) of this section, does not apply, or if otherwise preferred, the owner or coowner, or other person entitled to payment, should appear before an officer authorized to certify requests for payment, establish his or her identity, sign the request for payment, and provide information as to the address to which the check in payment is to be mailed. The bond must be for-

warded to a designated Federal Reserve Bank or Branch or the Bureau of the Public Debt. Usually, payment will be expedited by submission to a designated Federal Reserve Bank or Branch. In all cases, the cost and risk of presentation of a bond will be borne by the owner. Payment will be made by check drawn to the order of the registered owner or other person entitled and will be mailed to the address requested.

(c) *Date of request.* Requests executed more than six months before the date of receipt of a bond for payment will not be accepted. Neither will a bond be accepted if payment is requested as of a date more than three months in the future.

[44 FR 76441, Dec. 26, 1979, as amended at 59 FR 10541, Mar. 4, 1994]

§353.40 Special provisions for payment.

(a) *Owner's signature not required.* A bond may be paid by a paying agent or a designated Federal Reserve Bank without the owner's signature to the request for payment, if the bond bears the special endorsement of a paying agent specifically qualified to place such an endorsement on savings bonds.

(b) *Signature by mark.* A signature by mark (X) must be witnessed by at least one disinterested person and a certifying officer. See subpart J. The witness must attest to the signature by mark substantially as follows: "Witness to signature by mark", followed by his or her signature and address.

(c) *Name change.* If the name of the owner, coowner, or other person entitled to payment, as it appears in the registration or in evidence on file in the Bureau of the Public Debt, has been changed in any legal manner, the signature to the request for payment must show both names and the manner in which the change was made; for example, "Mary T. Jones Smith (Mary T. J. Smith or Mary T. Smith) changed by marriage from Mary T. Jones", or "John R. Young, changed by order of court from Hans R. Jung". See §353.50.

(d) *Attorneys-in-fact.* A request for payment, reinvestment, or exchange executed by an attorney-in-fact will be recognized if it is accompanied by a